

GENERAL LEDGER JOURNAL PROCEDURES

OVERVIEW

SCOPE

DEFINITIONS

PROCEDURE

1. Authorities
2. Creating journal entries
3. Review and retention
 - 3.1. General review
 - 3.2. Monthly review of unapproved entries
 - 3.3. Review of Nominated Journal Officers and Journal Approvers

OVERVIEW

Accounting entry adjustments can be processed directly to the general ledger in the PeopleSoft Financial System by way of a general ledger journal entry. To ensure accuracy and appropriateness, journal entries require review and approval by an authorised Journal Approver.

SCOPE

These procedures apply to all staff with authority to raise and approve journal entries; but do not apply to journal entries which are System-generated.

DEFINITIONS

Journal Approver: a person authorised by the relevant faculty or division finance manager, or the Chief Financial Officer, to approve journal entries.

Nominated Journal Officer: a person authorised by the relevant faculty or division finance manager to raise journal entries in the System.

System: the PeopleSoft Financial System.

PROCEDURE

1. Authorities

- a. Only Nominated Journal Officers may raise journal entries.
- b. Only Journal Approvers may approve journal entries.
- c. The same person can be both a Nominated Journal Officer and a Journal Approver, but a Journal Approver is prevented by the System from approving a journal they themselves have raised.

Responsibility: Faculty or division finance managers

Timeline: as soon as possible after change occurs or is advised, or the need for the addition is apparent

- i. Notify Associate Director, Financial Services, of removal of (e.g. through termination of employment) or additions to Journal Approvers, by completing the [Financials Business System Access Request Form](#).
- ii. Ensure the number of journal approvers per faculty or division is limited (e.g. to 4 or less).

2. Creating journal entries

Step 1:

Responsibility: Nominated Journal Officer

Timeline: as soon as possible after need is apparent

- i. Ensure the correct account codes are used (each journal source (type) has associated rules to assist users in entering the correct account codes).
- ii. Provide a brief summary of the reason for the journal in the Long Description field, and attach to the journal file sufficient documentation, such as worksheets or email confirmations, to support the journal without further explanation.

Step 2:

Responsibility: Journal Approver *Timeline:* within 10 days of entry and before month end general ledger close

- i. Review entries on journal worklist in PeopleSoft System to ensure they are:
 - accurate, timely and entered only by authorised Journal Officers,
 - coded correctly,
 - compliant with applicable University policies and procedures and any sponsor/donor terms and conditions, such as budgets,
 - justified, with a clear reason included, and
 - supported by appropriate documentation.
- ii. If satisfied with journal entry, approve and submit the entry.
- iii. If not satisfied, enter a reason for the denial and then deny the entry.

Note: A System-generated email will notify Journal Approvers daily at 4pm of journal worklist actions requiring approval. If a Journal Approver is not available within five days the System will escalate the journal for actioning.

3. Review and retention**3.1. General review**

Financial Reporting staff regularly review the appropriateness of journal entries as part of their management reporting processes.

3.2. Monthly review of unapproved entries

After the reporting month end System close, any journals relevant to the reporting month not submitted as approved will remain unposted in the general ledger and will no longer appear on a worklist.

Responsibility: Faculty and division finance managers

Timeline: monthly

- i. Run a report providing all unapproved journals in the System prior to month end.
- ii. Review report, determine whether journals are relevant to the currently open general ledger period and, if so, review for approval and submit. Delete any invalid journals, or journals not to be approved and submitted.
- iii. Should journals exist with a journal date prior to the current reporting month, review the journals and arrange to delete any invalid journals, or journals not to be approved and submitted. If the journals are to be posted to the general ledger, a date relevant to the current reporting period must be applied to the journal and that journal re-entered in the System.

3.3. Review of Nominated Journal Officers and Journal Approvers

Responsibility: Manager, Financial Accounting

Timeline: annually

- i. Distribute list of nominated journal officers and journal approvers to faculty and division finance managers for review.

Responsibility: Faculty and division finance managers

- ii. Review list and notify Financial Reporting staff of any changes.

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Policy Custodian	Vice-President (Services and Resources)
Responsible Officer	Chief Financial Officer
Endorsed by (Academic Board or VCC)	Vice-Chancellor's Executive 6 August 2014
Approved by	Vice Chancellor and President on 12 August 2014
Related Documents and Policies	See the Financial Services Handbook (<i>link to come</i>) for additional procedures.
Related Legislation	Australian Accounting Standards Board (AASB) Accounting Standards

	Australian Auditing Standards (AUS) and Auditing Guidance Statements (AGS)
Superseded Policies	Capital Expenditure Policy Amortisation of Software and Development/Implementation Costs All Revenue and Accounts Receivable Policies Amending Customers Policy Collecting Debts Policy Creating Customers Policy Credit Notes (Adjustment Notes) Policy Customer Credit Policy Invoicing (Billing) Policy Managing and Reporting Debts Policy Receipting and Banking Policy Refunds Policy Revenue and Accounts Receivable Overview Writing Off Debts Policy
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Contact for queries about the Policy	Financial Services on ext. 34265